



MEMO ENDORSED

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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April 26, 2019

Via ECF and UPS Overnight

Hon. Edgardo Ramos
United States District Judge
Thurgood Marshall United States Courthouse
40 Foley Square
New York, NY 10007

Re: SEC v. Honig, et al.;
No. 18 Civ. 8175 (ER)

Dear Judge Ramos:

After consideration of the parties' letters, the Commission's request for a six-week adjournment of the briefing schedule related to defendants' anticipated motions to dismiss is GRANTED. Motions to dismiss are now due on June 19, 2019.

It is SO ORDERED.


Edgardo Ramos, U.S.D.J
Dated: 4/29/2019
New York, New York

We represent the Plaintiff, Securities and Exchange Commission ("Commission"), in this action. We write on behalf of the Commission and Defendant Honig to respectfully request a six week adjournment of the briefing schedule of the Defendants' Motions to Dismiss to allow an opportunity for the Commission staff to obtain Commission approval of a settlement in principle that the Commission staff has reached this week with Mr. Honig. Pursuant to the Stipulation and Order entered by the Court on February 12, 2019 (DE 99), Motions to Dismiss are due on May 8, 2019. Neither Honig nor the Commission has made a prior request to extend the current briefing schedule.

By way of background, since the Commission filed its original Complaint in September 2018 (DE 1), the Commission has reached full or partial settlements with nine of the 20 Defendants charged in this case.¹ If the Commission and the Court approve of the contemplated settlement, there will be eight remaining Defendants: Brauser, Stetson, O'Rourke and Ladd (and their respective Defendant entities).

This week, Defendant Honig and the Commission staff reached an agreement in principle to settle the Commission's claims for liability against Defendant Honig and his entity, GRQ Consultants, Inc. The Commission staff must obtain Commission approval to document and

¹ The Commission's settlements with Defendants Maza (DE 110), Keller (DE 113) and Ford (DE 28) partially resolved the actions against them, leaving determinations of the Commission's monetary relief claims to later resolution by further motion or consent. The Commission fully resolved its claims against Defendants Frost Gamma Investments Trust and Frost (DE 76 and 77), OPKO Health, Inc. (DE 78), Groussman and Melechdavid Inc. (DE 93 and 94), and Alpha Capital Anstalt (DE 92). In its Amended Complaint (DE 105), the Commission withdrew its claims against the now-defunct entity Southern Biotech, Inc.

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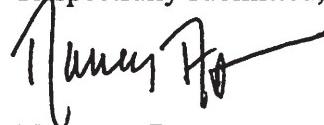
present a settlement to the Court for its review. We anticipate that we will be able to advise the Court whether a settlement has been approved in six weeks.

In the meantime, however, Defendant Honig wishes to preserve his right to move against the Amended Complaint while the proposed settlement is under review by the Commission, and the Commission and Honig believe that an adjournment of the current briefing schedule for six weeks is appropriate under the circumstances. We understand that Defendant O'Rourke takes no position on the Commission's and Honig's application for an adjournment as to all parties. Defendants Ladd and Brauser object to an adjournment of the briefing schedule, and intend to file their motions within the present schedule, but take no position on whether the Court should grant Honig an adjournment. Defendant Stetson has not responded to Honig's and the Commission's proposal.

We respectfully request that the Court push back the briefing schedule for *all* parties. By keeping all parties on the same schedule, the Court will be asked to consider the sufficiency of the Amended Complaint at one time, with the benefit of all parties' arguments, and minimizing the number and redundancy of the briefs, and therefore the burden on the Court. Whether or not the Commission approves the settlement with Honig, the Court will be presented with only one set of Motion papers from the Defendants.

The Commission and counsel for Mr. Honig are available for a conference to discuss these matters should the Court consider a conference helpful to its decision on this application.

Respectfully submitted,



Nancy A. Brown

cc: All Defendants via email